

**ACT Government Submission
Australian Defence Force Posture Review**

September 2011

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Introduction

The ACT Government welcomes the opportunity to provide input to the Australian Defence Force Posture Review.

This ACT Government Submission focuses on:

- the role and contribution of the ACT and surrounding region in providing defence and security services to the Australian community;
- the economic contribution of the Defence Sector to the ACT and region;
- our reliance on the support of the Australian Defence Forces for counter terrorism and civil emergencies; and
- land and planning issues.

The ACT and region is the location of very significant components of the Australian Defence Force. This includes the Department of Defence, the Royal Military College (RMC) at Duntroon, the Australian Defence Force Academy (ADFA) and the Australian Headquarters Joint Operations Command at Bungendore. The Australian National University also hosts the Strategic and Defence Studies Centre and the Australian Strategic Policy Institute.

Any major change to the administration of Australia's defence forces is likely to have a very significant impact on the economy and related matters such as infrastructure planning in the Territory. As such, the ACT Government would welcome detailed consultation in the lead up to any major decisions being made.

The ACT Government hopes that this submission will provide a useful contribution to the Australian Defence Force Posture Review.

Role and Contribution of the ACT and Surrounding Region

The ACT and Region plays a significant role in the overall capability of the Australian Defence Forces (ADF). The ACT and region is the location of very significant components of the Australian Defence Force including:

- the Department of Defence,
- the Royal Military College (RMC) at Duntroon;
- the Australian Defence Force Academy (ADFA); and
- the Australian Headquarters Joint Operations Command at Bungendore, NSW.

Additionally, the Australian National University also hosts the Strategic and Defence Studies Centre and the Australian Strategic Policy Institute.

There are also a number of other Canberra Based defence and security agencies including:

- The Australian Security Intelligence Organisation;
- The Australian Secret Intelligence Service;
- The Defence Signals Directorate; and
- The Office of National Assessments.

There are also a significant number of private sector companies that have established in Canberra to support the Defence sector and are solely dependent on Defence contracts. Around half these businesses have moved to the ACT from interstate and in some instances overseas to fulfil contractual obligations to Defence.

The Defence Industry Unit is based in the ACT and is essentially a defence industry association that represents around 300 member companies and organisations that do business with Defence. The Unit is committed both to representing its members and to maximising business opportunities for them.

Economic Contribution of the Defence Sector

The Defence and Security sector is arguably the ACT's largest discrete industry. It is a critical component of the economy of the ACT and region. It comprises the abovementioned components of the Australian Defence Force, related national security agencies, and defence related institutions as well as private businesses that provide products and services to these agencies. It also includes garrison support, professional services and major capital equipment manufacturers and suppliers. There are over 70 companies that have Defence related capabilities.

The Department of Defence has one of the largest budgets of any Australian Government agency at around \$30.4 billion in 2011-12. Around 15 per cent (or \$4.6 billion) of this is directly spent within the Canberra economy.

Based on the 2009-10 Annual report 14,369 ADF staff were located in the ACT, of which 6,783 were APS employees. This represents nearly 15% of the total ADF workforce and roughly 4% of local employment. This does not include the large numbers of contractors and consultants that work full-time in Defence in the ACT.

Defence leases approx 15 premises in Canberra and the region, worth approx \$9 million annually for local owners and organisations. Defence leases over 2,000 dwellings from the Canberra community at a value of over \$30 million annually.

The establishment of the Defence Headquarters in Bungendore has had a flow-on effect into the Canberra and Regional economy. During construction around \$10 million was spent with ACT and regional businesses, contractors and service providers.

Counter Terrorism and Civil Emergencies

The ACT Government relies on the support of the ADF for counter terrorism and civil emergencies. The ADF provides military support for jurisdictional counter terrorism first responders in accordance with provisions set out in the Defence Act (Part IIIAAA) - this is referred to as Defence Force Aid to the Civil Authority (DFACA) and can progress from call out of ADF units to the use of lethal force to resolve an incident. This capability is generally included in major single, and multi jurisdictional counter terrorism exercises.

The ADF also provides logistical and personnel support to jurisdictions in the event of natural and man-made disasters, referred to as Defence Aid to the Civil Community (DACC). There are four categories of DACC support based on the magnitude of the response and whether jurisdictions are required to contribute financially.

A significant ADF capability is the Incident Response Regiment, which provides a mobile high-level and comprehensive decontamination facility in the event of a chemical, biological, radiological or nuclear incident. This capability is designed to assist emergency services first responders whose capabilities may be expended in a short space of time or who may not have the levels of sophisticated decontamination facilities required.

There are a number of national and defence-related items of critical infrastructure in the ACT which underpin the management of defence core business.

Land and Planning Issues

If Defence were to scale back its operations in Canberra and land was to be released by Defence or the Department of Finance directly onto the ACT market, this would have a long-term impact on urban

planning, land sales and future development sequencing in the ACT and surrounding region (e.g. Queanbeyan City Council).

The sale of defence force lands would need to take place in the context of Territory planning strategies and be cognisant of the commercial and residential markets in which it is being sold. Any ad-hoc surplus land release could impact on future development at Kowen, the Eastern Broadacre employment corridor as well as future developments in Queanbeyan.

It would be appropriate in such circumstances for the ACT to be given first right of purchase of any surplus Defence land in the ACT.